

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:

COMPUTE NORTH HOLDINGS, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 22-90273 (MI)

(Jointly Administered)

**AFFIDAVIT OF SERVICE**

STATE OF CONNECTICUT)

) ss.:

COUNTY OF MIDDLESEX )

ANGHARAD BOWDLER, being duly sworn, deposes and says:

1. I am employed as a Director of Client Services by Epiq Corporate Restructuring, LLC, with their principal office located at 777 Third Avenue, New York, New York 10017. I am over the age of eighteen years and am not a party to the above-captioned action.
2. On November 11, 2022, I caused to be served *a customized* “Notice of Entry of Final Sale Procedures Order and Proposed Sale,” dated November 11, 2022, a sample of which is annexed hereto as Exhibit A, by causing true and correct copies to be enclosed securely in separate postage pre-paid envelopes and delivered via overnight mail to those parties listed on the annexed Exhibit B.

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Compute North Holdings, Inc. (4534); Compute North LLC (7185); CN Corpus Christi LLC (5551); CN Atoka LLC (4384); CN Big Spring LLC (4397); CN Colorado Bend LLC (4610); CN Developments LLC (2570); CN Equipment LLC (6885); CN King Mountain LLC (7190); CN Minden LLC (3722); CN Mining LLC (5223); CN Pledgor LLC (9871); Compute North Member LLC (8639); Compute North NC08 LLC (8069); Compute North NY09 LLC (5453); Compute North SD, LLC (1501); Compute North Texas LLC (1883); Compute North TX06 LLC (5921); and Compute North TX10 LLC (4238). The Debtors’ service address for the purposes of these chapter 11 cases is 7575 Corporate Way, Eden Prairie, Minnesota 55344

3. All envelopes utilized in the service of the foregoing contained the following legend:  
“LEGAL DOCUMENTS ENCLOSED. PLEASE DIRECT TO THE ATTENTION OF  
ADDRESSEE, PRESIDENT OR LEGAL DEPARTMENT.”

/s/ Angharad Bowdler  
Angharad Bowdler

Sworn to before me this  
14<sup>th</sup> day of November, 2022

/s/ Amy E. Lewis

Notary Public, State of Connecticut

Acct. No. 100624

Commission Expires: 8/31/2027

## **EXHIBIT A**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

---

In re:

COMPUTE NORTH HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

)  
) Chapter 11  
)  
) Case No. 22-90273 (MI)  
)  
) (Jointly Administered)  
)  
) **Cure Objection Deadline for Supplemental  
Cure Notice:**  
) **November 16, 2022 at 7:00 a.m.**  
) **(prevailing Central Time)**  
)  
) **Re: Docket Nos. 91, 191, 256, & 334**

---

**NOTICE OF ENTRY OF FINAL SALE  
PROCEDURES ORDER AND PROPOSED SALE**

---

**PLEASE TAKE NOTICE** that the above-captioned debtors and debtors in possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), on September 22, 2022 (the “Petition Date”), in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”). The Debtors are seeking to assume and assign certain of their executory contracts and unexpired leases in connection with one or more sales of assets (collectively, the “Assets”). The Debtors are seeking Court approval of such sales and assumptions and assignments pursuant to a motion, dated September 26, 2022 [Docket No. 91] (the “Motion”).<sup>2</sup>

The Court has entered an order [Docket No. 256] (the “Final Sale Procedures Order”) approving, among other things, (i) certain procedures for the sale of Assets with an aggregated selling price equal to or less than \$1,000,000 (the “De Minimis Asset Sale Procedures”), (ii) certain procedures for the sale of Assets with an individual or collective value over \$1,000,000 (the “Bidding Procedures”), and (iii) certain procedures that govern the assumption and assignment of certain executory contracts and unexpired leases transferred pursuant to either the De Minimis Asset Sale Procedures or the Bidding Procedures. Copies of the Motion and the Final

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Compute North Holdings, Inc. (4534); Compute North LLC (7185); CN Corpus Christi LLC (5551); CN Atoka LLC (4384); CN Big Spring LLC (4397); CN Colorado Bend LLC (4610); CN Developments LLC (2570); CN Equipment LLC (6885); CN King Mountain LLC (7190); CN Minden LLC (3722); CN Mining LLC (5223); CN Pledgor LLC (9871); Compute North Member LLC (8639); Compute North NC08 LLC (8069); Compute North NY09 LLC (5453); Compute North SD, LLC (1501); Compute North Texas LLC (1883); Compute North TX06 LLC (5921); and Compute North TX10 LLC (4238). The Debtors’ service address for the purposes of these chapter 11 cases is 7575 Corporate Way, Eden Prairie, Minnesota 55344.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Sale Procedures Order are available for download at <https://dm.epiq11.com/case/ComputeNorthHoldings/info> (the “Case Website”).

The Debtors have reserved the right to designate one or more parties to serve as stalking horse purchasers for the Assets (each a “Stalking Horse Purchaser”). For each Stalking Horse Purchaser, a notice will be filed on the Bankruptcy Court’s docket and posted on the Case Website identifying each Stalking Horse Purchaser, the terms of each Stalking Horse Agreement, and other information regarding each Stalking Horse Purchaser, as described in the Motion and the Final Sale Procedures Order.

You are receiving this notice because you may be a party to an unexpired lease or an executory contract that is potentially to be assumed and assigned (collectively, the “Contracts”) in connection with a sale under either the De Minimis Asset Sale Procedures or the Bidding Procedures. The Contract (or Contracts) to which you are a party is identified on **Exhibit A** hereto (the “Cure Schedule”).

The Debtors have determined the current amounts owing (the “Cure Amounts”) under each Contract and have listed the applicable Cure Amount for the Contract(s) to which you are a party on the Cure Schedule. The Cure Amounts are the only amounts proposed to be paid upon any assumption and assignment of the Contracts, in full satisfaction of all amounts outstanding under the Contracts.

To the extent that you as a counterparty to a Contract (a “Counterparty”) object to (i) the applicable Cure Amount or (ii) the Debtors’ ability to assume and assign your Contract, you must file and serve an objection (a “Contract Objection”). Any Contract Objection shall: (i) be in writing; (ii) comply with the Bankruptcy Rules and the Local Rules; (iii) be filed with the Clerk of the Court, 515 Rusk Street, Houston, Texas 77002, together with proof of service, **on or before 7:00 a.m. (prevailing Central Time) on November 16, 2022** (the “Supplemental Contract Objection Deadline”);<sup>3</sup> (iv) be served, so as to be actually received on or before the Supplemental Contract Objection Deadline, upon the Objection Notice Parties (set forth below); and (v) state with specificity the grounds for such objection, including, without limitation, the fully liquidated cure amount and the legal and factual bases for any unliquidated cure amount that you believe is required to be paid under section 365(b)(1)(A) and (B) of the Bankruptcy Code for the Contract in question, along with the specific nature and dates of any alleged defaults, any pecuniary losses resulting therefrom, and the conditions giving rise thereto.

Any objections to adequate assurance of future performance by a Successful Bidder other than a De Minimis Asset Purchaser shall be filed no later than **4:00 p.m. (prevailing Central**

---

<sup>3</sup> On October 18, 2022, the Debtors served notices to Counterparties whose Contracts were identified as Target Contracts on such date and filed notice of the same on the docket maintained in these Chapter 11 Cases [Docket No. 209] (the “Initial Cure Notice”). Pursuant to the Final Sale Procedures Order, the deadline to object to any proposed cure amount set forth in the Initial Cure Notice is November 1, 2022 at 4:00 p.m. (prevailing Central Time). In accordance with the Final Sale Procedures Order, the Debtors reserved the right to identify additional Target Contracts subsequent to the service of the Initial Cure Notice by serving this supplemental cure notice (this “Supplemental Cure Notice”) on Counterparties to such Contracts. Pursuant to the Final Sale Procedures Order, the deadline to object to the cure amount set forth in this Supplemental Cure Notice is two (2) hours prior to the commencement of the Sale Hearing.

**Time) on the date that is two (2) days after service of the Notice of Successful Bidder** (the “Adequate Assurance Objection Deadline”). Objections to adequate assurance of future performance by a De Minimis Asset Purchaser shall be governed by the De Minimis Asset Sale Procedures and addressed via separate notice.

The “Objection Notice Parties” are as follows: (i) counsel to the Debtors, Paul Hastings LLP, 600 Travis Street, 58th Floor, Houston, Texas 77002, Attn: James T. Grogan III (jamesgrogan@paulhastings.com); 200 Park Avenue, New York, New York 10166, Attn: Luc Despins, Sayan Bhattacharyya, and Daniel Ginsberg (lucdespins@paulhastings.com, sayanbhattacharyya@paulhastings.com, and danielginsberg@paulhastings.com); and 71 South Wacker Drive, Suite 4500, Chicago, Illinois 60606, Attn: Matthew Micheli and Michael Jones (mattmicheli@paulhastings.com and michaeljones@paulhastings.com); (ii) proposed counsel to the official committee of unsecured creditors appointed in these Chapter 11 Cases, McDermott Will & Emery LLP, 2501 North Harwood Street, Suite 1900, Dallas, Texas 75201, Attn: Charles R. Gibbs (crgibbs@mwe.com); One Vanderbilt Avenue, New York, New York 10017, Attn: Kristin K Going, Darren Azman, Stacy A. Lutkus, and Natalie Rowles (kgoing@mwe.com, dazman@mwe.com, salutkus@mwe.com, and nrowles@mwe.com); (iii) the Office of the United States Trustee for the Southern District of Texas, 515 Rusk Street, Suite 3516, Houston, Texas 77002, Attn: Jayson B. Ruff and Jana Whitworth (Jayson.B.Ruff@usdoj.gov and Jana.Whitworth@usdoj.gov); and (iv) counsel to each Stalking Horse Purchaser, if any.

If no objection is timely received with respect to a Cure Amount, then upon the closing of the applicable sale and payment of any Cure Amounts set forth in this notice: (i) you shall be forever barred from objecting to the Cure Amount and from asserting any additional cure or other amounts with respect to such Contract, (ii) the Cure Amount set forth on **Exhibit A** attached hereto shall be controlling, notwithstanding anything to the contrary in any Contract, or any other document, and you shall be deemed to have consented to the Cure Amount, and (iii) you shall be forever barred and estopped from asserting any other claims related to such Contract against the Debtors or the applicable transferee, or the property of any of them.

If no objection is received by the Adequate Assurance Objection Deadline to any Successful Bidder’s adequate assurance of future performance with respect to your Contract, you shall be deemed to have consented to the assumption, assignment, and transfer of the applicable Contract to the applicable Successful Bidder and shall be forever barred and estopped from asserting or claiming that any conditions to such assumption, assignment, and transfer must be satisfied under such applicable Contract or that any related right or benefit under such applicable Contract cannot or will not be available to the applicable Successful Bidder.

An auction (the “Auction”) for the Assets, including the Contracts, will be conducted on November 14, 2022, at 10:00 a.m. (prevailing Central Time) at (i) the offices of Paul Hastings LLP, 600 Travis Street, 58th Floor, Houston, Texas 77002 or (ii) virtually by videoconference or teleconference, or such other date, time, or location as the Debtors, after consultation with the Consultation Parties, may notify Qualifying Bidders who have submitted Qualifying Bids. As soon as reasonably practicable after the Auction, the Debtors will file with the Court and post to the Case Website a notice identifying the Successful Bidder(s), which shall set forth, among other things, (i) the Successful Bidder(s) and Back-Up Bidder(s) (if any), (ii) the Contracts selected by the Successful Bidder to be assumed and assigned, (iii) the proposed

assignee(s) of such Contracts, and (iv) contact information of the proposed assignee, so that Counterparties to the selected Contracts may obtain the applicable Successful Bidder's adequate assurance information, which shall be provided to each affected Counterparty on a confidential basis.

The Debtors will seek to assume and assign the Contracts that have been selected by a Successful Bidder (the "Selected Assumed Contracts") at a hearing to be held before the Honorable Marvin Isgur, in the United States Bankruptcy Court for the Southern District of Texas, Courtroom 404, 4th Floor, 515 Rusk Street, Houston, Texas 77002 (a "Sale Hearing") on November 16, 2022 at 9:00 a.m. (prevailing Central Time), or such other date as determined by the Debtors in accordance with the terms of the Final Sale Procedures Order.

To the extent that the Debtors and a Counterparty are unable to consensually resolve any Contract Objection prior to the commencement of the Sale Hearing, including, without limitation, any dispute with respect to the cure amount, if any, required to be paid to the applicable Counterparty under section 365(b)(1)(A) and (B) of the Bankruptcy Code (any such dispute, a "Cure Dispute"), such Contract Objection will be adjudicated at the Sale Hearing or at such other date and time as may be determined by the Debtors and the applicable Successful Bidder or fixed by the Court; *provided*, however, that if the Contract Objection relates solely to a Cure Dispute, the Selected Target Contract may be assumed by the Debtors and assigned to any Successful Bidder provided that the cure amount that the Counterparty asserts is required to be paid under section 365(b)(1)(A) and (B) of the Bankruptcy Code (or such lower amount as agreed to by the Counterparty) is deposited in a segregated account by the Debtors or the applicable Successful Bidder pending the Court's adjudication of the Cure Dispute or the parties' consensual resolution of the Cure Dispute.

*[Remainder of Page Intentionally Left Blank]*

Dated: November 11, 2022  
Houston, Texas

*/s/ James T. Grogan III*

---

**PAUL HASTINGS LLP**

James T. Grogan III (TX Bar No. 24027354)  
600 Travis Street, 58th Floor  
Houston, Texas 77002  
Telephone: (713) 860-7300  
Facsimile: (713) 353-3100  
Email: jamesgrogan@paulhastings.com

-and-

Luc Despins (admitted *pro hac vice*)  
Sayan Bhattacharyya (admitted *pro hac vice*)  
Daniel Ginsberg (admitted *pro hac vice*)  
200 Park Avenue  
New York, New York 10166  
Telephone: (212) 318-6000  
Facsimile: (212) 319-4090  
Email: lucdespins@paulhastings.com  
sayanbhattacharyya@paulhastings.com  
danielginsberg@paulhastings.com

-and-

Matthew Micheli (admitted *pro hac vice*)  
Michael Jones (admitted *pro hac vice*)  
71 South Wacker Drive, Suite 4500  
Chicago, Illinois 60606  
Telephone: (312) 499-6000  
Facsimile: (312) 499-6100  
Email: mattmicheli@paulhastings.com  
michaeljones@paulhastings.com

*Counsel to the Debtors and Debtors in Possession*



## **EXHIBIT B**

**Debtor: COMPUTE NORTH HOLDINGS, INC., et al.**

**NOTICE OF ENTRY OF FINAL SALE PROCEDURES ORDER AND PROPOSED SALE**

Page 1 of 1

**Case #: 22-90273 (MI)**

**Notices mailed by: November 11, 2022**

7575 MANAGEMENT LLC  
ATTN: SPENCER BARRON  
7575 CORPORATE WAY  
EDEN PRAIRIE, MN 55344

CITY OF BIG SPRING  
310 NOLAN STREET  
BIG SPRING, TX 79720

GARY A. FRITH AND RUTH K. FRITH, TRUSTEES  
OF THE FRITH LIVING TRUST  
405 ALCOTT COURT  
COLORADO SPRINGS, CO 80921

GARY A. FRITH AND RUTH K. FRITH, TRUSTEES  
OF THE FRITH LIVING TRUST  
PO BOX 62910  
COLORADO SPRINGS, CO 80962-2910

GREAT PLAINS COMMUNICATIONS LLC  
1635 FRONT ST  
BLAIR, NE 68008

KR SIOUX CITY  
NAI UNITED MANAGEMENT  
302 JONES ST., SUITE 100  
SIOUX CITY, IA 51101

R. O. YOUKER, INC.  
1201 O STREET, SUITE 310  
LINCOLN, NE 68508

RAND WORLDWIDE SUBSIDIARY INC  
ATTN AUSTIN SOBOLOWSKI  
2029 PHEASANT RUN ST  
SHAKOPEE, MN 55379

RAND WORLDWIDE  
ATTN DEREK CRENSAHW  
306 ROCK CREEK WAY  
PLEASANT HILL, CA 94523

Total Parties: 9